



United States Attorney District of New Jersey

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FORMER CEO OF SEAFOOD IMPORTING CORPORATION SENTENCED TO FEDERAL PRISON FOR IMPORTING FALSELY LABELED FISH

Defendant Also Ordered to Pay over \$64 Million in Restitution

NEWARK, N.J. – Thomas George, the former Chief Executive Officer of Sterling Seafood Corporation, was sentenced today to 22 months in prison for importing falsely labeled fish from Vietnam and evading over \$60 million in federal tariffs, as well as selling over \$500,000 in similarly misbranded fish purchased from another importer, United States Attorney Paul J. Fishman announced.

George, 61, of Old Tappan, New Jersey, pleaded guilty before United States Magistrate Judge Patty Shwartz on January 26, 2010, to an Information charging him with one count of importing falsely labeled goods into the United States and one count of selling falsely labeled fish in the United States with the intent to defraud. United States District Judge Faith S. Hochberg imposed the sentence today in Newark federal court.

According to documents filed in this case and statements made in court:

From January 2003 to June 2006, George maintained a business relationship through Sterling Seafood with a seafood distribution company located in Vietnam. As part of that business relationship, Sterling Seafood regularly purchased fish in the catfish family, *Pangasius hypophthalmus*, sometimes referred to as Vietnamese catfish. Sterling Seafood would then resell the fish in the United States.

In the interest of fairly regulating commerce in the U.S., the U.S. Department of Commerce establishes anti-dumping duties or tariffs on certain imported products – taxes imposed to increase the price of goods so they do not provide unfair competition to comparable goods produced locally. In January 2003, an anti-dumping duty or tariff was placed on all imports of Vietnamese catfish into the United States because catfish was being marketed at a significantly lower price than was market rate at that time. That initial anti-dumping order imposed a duty of up to 63.88 percent on all catfish subject to the order, and was adjusted based on market conditions.

At his plea hearing, George admitted that from 2004 to 2006, he agreed with the Vietnamese distribution company to engage in a scheme to falsely identify and declare the purchase and importation of the Vietnamese catfish in order to evade the applicable anti-dumping duties. George stated that he specifically instructed the Vietnamese company to fraudulently

identify the Vietnamese catfish as “grouper” on commercial contracts, purchase orders, and other documents because grouper was not subject to any anti-dumping duties. Additionally, George admitted that from 2004 to 2005, he purchased over \$500,000 of similarly misbranded Vietnamese catfish that was imported from Vietnam by a Virginia corporation and then sold that misbranded Vietnamese catfish throughout the United States.

George’s 22-month sentence represents 18 months on Count One and 22 months on count two, to run concurrently. In addition to the prison term, Judge Hochberg sentenced George to a year of supervised release and ordered him to pay restitution in the amount of \$64,173,839.16. George also paid a \$50,000 community service payment to the National Fish and Wildlife Foundation to be expressly earmarked for research into the identification of fish and other marine organisms. This sentence does not preclude him from facing additional civil penalties.

U.S. Attorney Fishman credited special agents with Immigration and Customs Enforcement’s Homeland Security Investigations in Newark, under the direction of Special Agent in Charge Peter T. Edge; the Department of Homeland Security’s Customs and Border Protection, under the direction of Director of Field Operations Robert E. Perez; the Department of Commerce National Oceanic and Atmospheric Administration’s Fisheries Office of Law Enforcement, Northeast Division, under the direction of Special Agent in Charge Andrew Cohen; and the Food and Drug Administration Office of Criminal Investigations, under the direction of Special Agent in Charge Thomas P. Doyle, Metro Washington Field Office with the investigation of this case. The Department of Justice’s Environmental Crimes Section, under the direction of Ignacia S. Moreno, Assistant Attorney General for the Environmental and Natural Resources Division, also handled the prosecution.

The government is represented by Assistant U.S. Attorney Zahid N. Quraishi of the United States Attorney’s Office Criminal Division in Newark and Elinor Colbourn of the Department of Justice’s Environmental Crimes Section.

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